

**23. CASH GENERATED FROM/(UTILISED IN) OPERATIONS**

Net surplus for the year	12 499 691	27 806 657
Adjustment for:		
Depreciation charges	8 658 543	7 268 558
Gain on disposal of property, plant and equipment		( 17 481)
Loss on disposal of property, plant and equipment		18 983
Contributions to provisions	142 045	649 174
Interest received	(1 845 064)	(1 898 957)
Interest paid	1 545 150	596 442
Gamap Grap conversion		
Appropriations	( 487 950)	10 824 317
Operating surplus before working capital changes	<b>20 512 414</b>	<b>45 247 694</b>
<b>(Increase)/decrease in inventories</b>	-	-
(Increase)/decrease in debtors	(1 650 136)	(10 754 772)
(Increase)/decrease in other receivables	10 956 974	(8 399 229)
Increase/(decrease) in creditors	5 099 741	(9 334 579)
Increase/(decrease) in consumer deposits	108 540	129 421
Increase/(decrease) in unspent conditional grants	(6 505 470)	6 505 470
Cash generated by operations	<b>28 522 064</b>	<b>23 394 005</b>

**24. CAPITAL COMMITMENTS**

Commitments in respect of capital expenditure:

Approved and contracted for	-	<b>32 050 813</b>
Infrastructure	-	27 050 813
Community assets	-	
Other assets	-	5 000 000
Approved but not yet contracted for		-
Land and buildings	-	
Infrastructure	-	
	-	<b>32 050 813</b>
<b>This expenditure will be financed from</b>		
<b>External loans</b>	-	26 000 000
Government grants	-	6 050 813
	-	<b>32 050 813</b>

**25. ADDITIONAL DISCLOSURES IN TERMS OF SECTION 125 OF MUNICIPAL FINANCE MANAGEMENT ACT, 2003**

Contribution to SALGA

Council membership fees payable

Amount paid current year

Balance unpaid (included in creditors)

187 857	168 304
( 187 857)	( 91 232)
-	<b>77 072</b>

**Audit Fees**

Current year audit fee

Amount paid current year

Balance unpaid (included in creditors)

1 202 359	1 118 127
(1 202 359)	( 601 588)
-	<b>516 539</b>

VAT

payment is received from debtors is VAT paid over to SARS. VAT input receivables and VAT output receivable are shown in note 12. All VAT returns have been submitted by the due date throughout the year.

**Pay as You Earn (PAYE)**

Current payroll deductions

Amount paid current year

Balance unpaid

8 877 390	7 243 517
(8 877 390)	(7 243 517)
-	-

**Unemployment Insurance Fund (UIF)**

Current payroll deductions

Amount paid current year

Balance unpaid

259 300	428 914
( 259 300)	( 428 914)
-	-

**26. ADDITIONAL DISCLOSURES IN TERMS OF SECTION 125 OF MUNICIPAL FINANCE MANAGEMENT ACT, 2003**

**Medical Aid**

Current payroll deductions

Amount paid current year

Balance unpaid

1 226 086	2 163 242
(1 226 086)	(2 163 242)
-	-

**Pension Fund**

Current payroll deductions

Amount paid current year

Balance unpaid

4 399 681	7 886 444
(4 399 681)	(7 886 444)
-	-

**26. ADDITIONAL DISCLOSURES IN TERMS OF SECTION 125 OF MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (CONT)**

**Disclosure concerning councillors**

**Section 124(1)(b)**

The following councillors had arrear accounts outstanding for more than 90 days as at 30 June 2009:

None

Total 30 June 2009	Outstanding less than 90 days
-	-

In terms of this section, any arrears by individual councillors to the municipality for rates and services, which at any time during the relevant financial year was outstanding for more than 90 days, including the names of those councillors must be disclosed.

**27. CONTINGENT LIABILITIES**

The following are claims against the municipalities:

Ipeleng Group (Debt Collection)	8 000 000	-
Mmalekgowa Trading	348 000	-
Nelldav Agency	250 000	-
Anglo Platinum (Infrastructure Loan)	-	16 000 000
DPI Plastics	-	200 000
Limpopo Binders	-	1 254 611
A Mashego	-	2 900 000
Bakgorosi Civil Project Eng CC	-	10 000 000
Solly Tayob & Rymach Trust	-	3 000 000
Total	<b>8 598 000</b>	<b>33 354 611</b>

**28. FINANCE LEASE LIABILITY**

**2009**

Amounts payable under finance leases

	Minimum Lease payment R '000	Future Finance Charges R '000	Present value of minimum lease payments R '000
Within one year	501 947	218 774	720 721
Within two to five years			
	<b>501 947</b>	<b>218 774</b>	<b>720 721</b>

Less: Amount due for settlement within 12 months (current portion)

The average lease term is 4 years and the average effective borrowing rate is 12.0%. Interest rates for the remainder of the contract period. Some leases have fixed repayment terms and other variable between 12-15% per annum. No arrangements have been entered into for contingent rent. Obligations under finance leases are recognised in the municipality's financial statements.

**28. FINANCE LEASE LIABILITY**

<b>2008</b>	<b>Minimum lease payment R'000</b>	<b>Future finance charges R'000</b>	<b>Present value of minimum lease payments R'000</b>
Amounts payable under finance leases			
Within one year	695 647	407 790	1 103 438
Within two to five years			
	<u>-</u>	<u>-</u>	<u>-</u>
Less: Amount due for settlement within 12 months (current portion)			<u>-</u>
			<u>-</u>

*The average lease term is 5 years and the average effective borrowing rate is 12.5%. Interest rates are fixed at the contract date. Some leases have fixed repayment terms and other escalate between 12.5% per annum. No arrangements have been entered into for contingent rent. Obligations under finance leases are secured by the lessor's title to the leased asset.*

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**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX A**  
**SCHEDULE OF EXTERNAL LOANS AT 30 JUNE 2009**

External Loans	Loan No.	Redeemable	Balance at 30 June 2008	Interest paid during the period	Received during the period	Redeemed or written off during the period	Balance at 30 June 2009
			R	R	R	R	R
<b>ANNUITY LOANS</b>							
DBSA	@ 15.26%	12713/102 31/12/12	1 138 711	171 975	27 234	( 196 964)	968 981
DBSA	@ 16.02%	13585/102 31/03/21	2 409 530	394 975		( 61 976)	2 347 554
DBSA	@ 5.00%	102904/1 30/09/28	1 947 615	135 169	3 334 856	-	5 282 471
DBSA	@ 10.42%	102904/2 30/09/28	5 000 000	456 548		( 40 186)	4 959 814
<b>Total Annuity Loans</b>			<b>10 495 856.08</b>	<b>1 158 667.48</b>	<b>3 362 089.59</b>	<b>( 299 126)</b>	<b>13 558 820</b>

*An amount of R 27 234 was adjusted to the opening balance as at 1 July 2008 in order to bridge the difference between DBSA opening balance and the GTM opening balance*

**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX B**  
**ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009**

	HISTORICAL COST					ACCUMULATED DEPRECIATION				Carrying Value
	Opening Balance	Additions/ Transfers	Under Construction	Disposals	Closing Balance	Opening Balance	Additions/ Transfers	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R
<b>INFRASTRUCTURE</b>	<b>196 923 415</b>	<b>57 988 844</b>			<b>254 912 260</b>	<b>5 870 974</b>	<b>5 938 148</b>		<b>11 809 122</b>	<b>243 103 137</b>
Roads, pavements, bridges & stormwater	159 651 839	52 924 806			212 576 645	3 779 131	3 851 971		7 631 102	204 945 543
Water reservoirs & reticulation	30 355 867	-			30 355 867	-	1 517 793		1 517 793	28 838 074
Car parks, bus terminals & taxi ranks	-	-			-	1 521 942			1 521 942	(1 521 942)
Electricity reticulation	1 470 542	4 898 744			6 369 285	296 897	296 126		593 023	5 776 263
Sewerage purification & reticulation	4 781 695	-			4 781 695	239 740	239 085		478 825	4 302 871
Cleansing	663 472	-			663 472	33 264	33 174		66 438	597 035
Street Lights	-	165 295			165 295	-			-	165 295
<b>COMMUNITY ASSETS</b>	<b>12 640 849</b>	<b>10 511 189</b>			<b>23 152 037</b>	<b>617 015</b>	<b>421 362</b>		<b>1 038 377</b>	<b>22 113 661</b>
Public facilities	2 464 728	3 976 965			6 441 693	82 382	421 362		503 744	5 937 950
Sports fields	10 176 120	6 534 224			16 710 344	88 259			88 259	16 622 085
Parks	-	-			-	123 400			123 400	(123 400)
Cemetery	-	-			-	56 307			56 307	(56 307)
Taxi Rank	-	-			-	266 667			266 667	(266 667)
<b>OTHER ASSETS</b>	<b>5 709 149</b>	<b>10 449 481</b>			<b>16 158 630</b>	<b>2 768 128</b>	<b>2 299 032</b>		<b>5 067 160</b>	<b>11 091 469</b>
Other motor vehicles	1 547 300	2 361 731			3 909 031	1 121 806	483 607		1 605 413	2 303 618
Plant & equipment	1 563 759	4 836 061			6 399 819	556 728	404 141		960 869	5 438 950
Office equipment	424 307	1 785 524			2 209 832	261 201	865 221		1 126 422	1 083 410
Computer equipment	419 742	1 304 464			1 724 206	375 882	350 292		726 174	998 032
Furniture	1 754 041	161 702			1 915 742	452 511	195 772		648 283	1 267 460
<b>LAND AND BUILDING</b>	<b>20 043 000</b>	<b>3 300 000</b>	<b>2 523 000</b>		<b>25 866 000</b>					<b>25 866 000</b>
Land and Building	20 043 000	3 300 000	2 523 000		25 866 000					25 866 000
<b>TOTAL</b>	<b>235 316 413</b>	<b>82 249 514</b>	<b>2 523 000</b>		<b>320 088 927</b>	<b>9 256 117</b>	<b>8 658 542</b>		<b>17 914 659</b>	<b>302 174 267</b>

# GREATER TUBATSE MUNICIPALITY

## APPENDIX C

### SEGMENTAL ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2009

	HISTORICAL COST					ACCUMULATED DEPRECIATION				Carrying Value
	Opening Balance	Additions/ Transfers	Under Construction	Disposals	Closing Balance	Opening Balance	Additions/ Transfers	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	
<b>EXECUTIVE COUNCIL</b>	343 504	161 702	-	-	505 206	163 665	51 046	-	214 711	290 495
Executive Council	343 504	161 702			505 206	163 665	51 046		214 711	290 495
<b>FINANCE &amp; ADMINISTRATION</b>	28 734 609	5 451 718	-	-	34 186 327	2 138 357	1 960 498	-	4 098 855	30 087 473
Finance	1 487 205	1 304 464			2 791 669	1 058 156	357 804		1 415 960	1 375 709
Corporate services	27 247 404	4 147 254			31 394 658	1 080 201	1 602 693		2 682 894	28 711 764
Human resources	-				-	-			-	-
Property services	-				-	-			-	-
Other & admin	-				-	-			-	-
<b>PLANNING &amp; DEVELOPMENT</b>	220 412	3 300 000	-	-	3 520 412	85 309	37 490	-	122 799	3 397 613
Strategic Services	85 726				85 726	33 817	12 259		46 076	39 650
Planning & development	134 686	3 300 000			3 434 686	51 492	25 231		76 723	3 357 963
<b>COMMUNITY &amp; SOCIAL SERVICE</b>	220 045	10 511 189	-	-	10 731 234	55 043	133 998	-	189 041	10 542 193
Libraries & archives	220 045				220 045	55 043	22 891		77 934	142 111
Community halls & facilities		10 511 189			10 511 189		44 108		44 108	10 467 081
Cemeteries & crematoriums					-		66 999		66 999	( 66 999)
<b>PUBLIC SAFETY</b>	1 273 508	-	-	-	1 273 508	409 311	287 365	-	696 676	576 832
Traffic & Protection	1 273 508				1 273 508	409 311	287 365		696 676	576 832
<b>TECHNICAL SERVICES</b>	204 524 335	62 824 906	2 523 000	-	269 872 241	6 404 432	6 188 148	-	12 592 580	257 279 661
Administration	59 309 041	7 766 899	2 523 000		69 620 940	2 625 301	2 336 177		4 961 478	64 659 462
Roads	145 215 294	55 036 007			200 251 301	3 779 131	3 851 971		7 631 102	192 620 199
<b>TOTAL</b>	<b>235 316 413</b>	<b>82 249 515</b>	<b>2 523 000</b>	<b>-</b>	<b>320 088 928</b>	<b>9 256 117</b>	<b>8 658 544</b>	<b>-</b>	<b>17 914 661</b>	<b>302 174 267</b>

**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX D**  
**DETAILED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2009**

2008 Actual Income	2008 Actual Expenditure	2008 Actual Surplus/ (Deficit)		2009 Actual Income	2008 Actual Expenditure	2009 Actual Surplus/ (Deficit)
R	R	R		R	R	R
<b>427 539</b>	<b>26 798 281</b>	<b>(26 370 742)</b>	<b>Executive &amp; Council</b>	<b>30 144 340</b>	<b>942 359</b>	<b>29 201 981</b>
427 539	26 798 281	(26 370 742)	Council general	27 425 116	942 359	26 482 757
	2 429 282	(2 429 282)	Municipal Manager	2 719 224	-	2 719 224
<b>83 902 050</b>	<b>30 518 248</b>	<b>53 383 802</b>	<b>Finance &amp; Admin</b>	<b>49 989 613</b>	<b>96 896 692</b>	<b>(46 907 079)</b>
83 902 050	12 391 730	71 510 320	Finance	29 054 826	96 896 692	(67 841 866)
	18 126 518	(18 126 518)	Corporate Services	20 934 787	-	20 934 787
<b>2 140</b>	<b>3 104 005</b>	<b>(3 101 865)</b>	<b>Planning &amp; Development</b>	<b>9 331 771</b>	<b>354 937</b>	<b>8 976 834</b>
2 140	3 104 005	(3 101 865)	Economic & Land Development	5 638 107	354 937	5 283 170
683 731	4 924 662	(4 240 931)	Strategic Management	3 693 663	-	3 693 663
<b>9 137 465</b>	<b>6 084 442</b>	<b>3 053 023</b>	<b>Community Services</b>	<b>6 840 925</b>	<b>533 998</b>	<b>6 306 927</b>
317 117	3 661 030	(3 343 913)	Admin	3 261 912	-	3 261 912
5 567	497 079	( 491 512)	Libraries	1 172 608	14 202	1 158 406
8 814 781	1 926 333	6 888 448	Cemeteries	360 210	73 354	286 855
			Municipal Building	2 046 196	446 442	1 599 754
<b>3 128 997</b>	<b>4 539 663</b>	<b>(1 410 666)</b>	<b>Public Safety</b>	<b>6 849 421</b>	<b>6 516 793</b>	<b>332 628</b>
3 128 997	4 539 663	(1 410 666)	Traffic & Licencing	6 849 421	6 516 793	332 628
<b>8 050 446</b>	<b>7 067 144</b>	<b>983 302</b>	<b>Waste Management</b>	<b>11 357 873</b>	<b>6 288 392</b>	<b>5 069 480</b>
3 775 840	1 008 970	2 766 870	Sewerage	2 750 528	1 663 008	1 087 520
4 274 606	6 058 174	(1 783 568)	Refuse Removal	8 607 345	4 625 384	3 981 960
<b>27 700 268</b>	<b>39 576 618</b>	<b>(11 876 350)</b>	<b>Roads Transport</b>	<b>24 998 183</b>	<b>40 478 643</b>	<b>(15 480 461)</b>
7 200 268	20 392 012	(13 191 744)	City Engineer: Admin	8 784 749	21 243 000	(12 458 251)
			City Engineer: Water	5 439 376	12 335 643	(6 896 267)
20 500 000	19 184 606	1 315 394	City Engineer: Roads	10 774 057	6 900 000	3 874 057
<b>132 348 905</b>	<b>117 688 401</b>	<b>14 660 504</b>	<b>Total</b>	<b>139 512 125</b>	<b>152 011 816</b>	<b>(12 499 690)</b>

**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX E (1)**  
**ACTUAL OPERATING VERSUS BUDGET**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	2008/9 Actual R	2008/9 Budget R	2008/9 Variance R	2008/9 Variance %	Explanations of significant variances greater than 10% versus budget
<b>REVENUE</b>					
Property rates	33 054 116	47 707 272	(14 653 156)	( 31)	Dispute on mine properties
Service charges : Water	8 930 550	7 837 637	1 092 913	14	
Sewerage	1 663 008	5 746 375	(4 083 367)	( 71)	New tariff structure
Refuse removal	4 625 384	5 129 368	( 503 984)	( 10)	
Rental of facilities and equipment	152 311	180 000	( 27 689)	( 15)	
Interest earned – external investments	1 332 712	680 000	652 712	96	
Interest earned – outstanding debtors	512 352	1 500 000	( 987 648)	( 66)	Write-off of old debt
Fines	654 565	2 300 000	(1 645 435)	( 72)	Over estimated
Licensing & permits	2 935 551	1 350 000	1 585 551	117	
Revenue for agency services	2 926 636	3 500 000	( 573 364)	( 16)	Over estimated
Government grants & subsidies – operating	66 432 054	44 979 847	21 452 207	48	
Government grants & subsidies – capital	21 243 000	19 257 003	1 985 997	10	
Public contributions, donated and contributed property, plant and equipment			-		
Other revenue	7 549 576	2 224 615	5 324 961	239	
Gains on disposal of property, plant &			-		
<b>Total Revenue</b>	<b>152 011 815</b>	<b>142 392 117</b>	<b>9 619 698</b>	<b>7</b>	
<b>EXPENDITURE</b>					
Employee related costs	51 651 216	46 720 198	4 931 018	11	new grading
Remuneration of councillors	11 879 354	10 863 977	1 015 377	9	
Bad debts	8 384 109	6 727 553	1 656 556		
Collection costs			-		
Depreciation	8 658 543	5 700 000	2 958 543		
Repairs & maintenance	7 509 807	9 014 676	(1 504 869)	( 17)	
Finance costs	1 545 150	1 116 000	429 150	38	new loan raised & leases accounted for
Bulk purchases			-		
Contracted services	13 005 405	13 109 648	( 104 243)	( 1)	
Grants & subsidies paid			-		
General expenses	36 878 542	49 140 065	(12 261 524)	( 25)	
Loss on disposal of property, plant &			-		
Contributions to/(transfers from) provisions			-		
<b>Total Expenditure</b>	<b>139 512 126</b>	<b>142 392 117</b>	<b>(2 879 991)</b>	<b>( 2)</b>	
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>12 499 690</b>	<b>-</b>	<b>(2 444 970)</b>		

**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX E (2)**  
**ACTUAL CAPITAL VERSUS BUDGET**  
**(ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT)**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	Actual 2009 R	Under Construction 2009 R	Total Additions 2009 R	Budget 2009 R	Variance 2009 R	Variance %	Explanations of significant variances greater than 5% versus budget
<b>Executive &amp; Council</b>	-	-	-	-	-	-	
Council general	-	-	-	-	-	-	
Municipal Manager	-	-	-	-	-	-	
<b>Finance &amp; Admin</b>	-	-	-	-	-	-	
Finance	-	-	-	-	-	-	
Corporate Services	-	-	-	-	-	-	
<b>Planning &amp; Development</b>	-	-	-	-	-	-	
Economic & Land Development	-	-	-	-	-	-	
Strategic Management	-	-	-	-	-	-	
<b>Community Services</b>	1 820 469	-	-	1 669 099	(151 370)	(12.03)	
Admin	-	-	-	-	-	-	
Libraries	-	-	-	-	-	-	
Cemeteries	1 820 469	-	-	1 669 099	(151 370)	(12.03)	
Municipal Building	-	-	-	-	-	-	
<b>Public Safety</b>	1 140 000	-	-	1 140 000	-	-	
Traffic & Licencing	1 140 000	-	-	1 140 000	-	-	
Sewerage	-	-	-	-	-	-	
Refuse Removal	-	-	-	-	-	-	
<b>Roads Transport</b>	36 841 086	-	-	46 442 097	9 601 011	3.84	
City Engineer: Admin	511 007	-	-	524 392	13 385	38.18	
City Engineer: Roads	36 330 078	-	-	45 917 705	9 587 627	3.79	
<b>TOTAL</b>	<b>39 801 554</b>	<b>-</b>	<b>-</b>	<b>49 251 196</b>	<b>9 449 642</b>	<b>(8)</b>	

**GREATER TUBATSE MUNICIPALITY**  
**APPENDIX F**  
**DISCLOSURE OF GRANTS AND SUBSIDIES**  
**FOR THE YEAR ENDED 30 JUNE 2009**

*DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003*

Name of Grants	Name of Organ of State or Municipal entity	Total Receipts for 2008/9 TOTAL	Total Expenditure for 2008/9 TOTAL	Delay / Withheld TOTAL	Gazette amount Municipal year TOTAL	Reason for delay/ withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
Equitable Share	DPLG	54 989 000	54 989 000					
Equitable Share - Free Basic Electricity	DPLG	2 492 429	2 492 429			None	Yes	None
Financial Management Grant	National Treasury	500 000	500 000			None	Yes	None
MSIG	DPLG	735 000	735 000			None	Yes	None
District Grant	GSDM	815 625	815 625			None	Yes	None
Limpopo Province - Planning	Limpopo Prov	6 900 000	6 900 000			None	Yes	None
Grants - MIG Funds	DPLG	21 243 000	21 243 000			None	Yes	None
		<b>R 87 675 054</b>	<b>R 87 675 054</b>	<b>R -</b>	<b>R -</b>			

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